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Chairman: Mr. Effah-Apenteng ..... (Ghana)
later: Mr. Orr (Vice-Chairman) ..... (Canada)
Chairman of the Advisory Committee on Administrative and Budgetary Questions: Mr. Mselle

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The meeting was called to order at 10.10 a.m.

Agenda item 123: Proposed programme budget for the biennium 2002-2003 (*continued*)

Programme budget implications of draft resolution A/C.2/56/L.71: World Summit on Sustainable Development (A/56/710; A/C.5/56/28)

1. **Mr. Sach** (Director, Programme Planning and Budget Division) introduced the Secretary-General's statement (A/C.5/56/28) on the programme budget implications of draft resolution A/C.2/56/L.71, entitled "World Summit on Sustainable Development". Paragraph 8 of the draft resolution contained a request to the Secretary-General to launch a public information campaign to raise global awareness of the Summit. The total requirements for such a campaign were estimated at $352,500. In reviewing the potential for absorption of those costs, the Secretariat had been unable to identify any lower-priority elements from which resources could be shifted at the current time, and no extrabudgetary resources were available for the public information campaign. The total requirements sought would therefore be in addition to the initial estimates under section 26 (Public information) of the proposed programme budget for 2002-2003 and would be charged against the contingency fund. No provision had been made for that activity in the initial estimates for 2002-2003 because the Secretariat had had no specific mandate to conduct a public information campaign on the Summit.

2. **Mr. Mselle** (Chairman of the Advisory Committee on Administrative and Budgetary Questions) introduced the Advisory Committee's report (A/56/710) on the Secretary-General's statement (A/C.5/56/28). The Advisory Committee recommended that the Fifth Committee should inform the General Assembly that, should it adopt draft resolution A/C.2/56/L.71, expenditures would arise not exceeding $352,500 under section 26 (Public information) of the proposed programme budget for 2002-2003, and that additional appropriations would be considered by the General Assembly in accordance with the procedures set out in General Assembly resolutions 41/213 and 42/211 for the use and operation of the contingency fund.

3. **Mr. Mirmohammad** (Islamic Republic of Iran), speaking on behalf of the Group of 77 and China, said that, since the Secretary-General had indicated that there was no potential for absorption of the costs of the public information campaign for the Summit under section 26 of the original budget proposal, he supported the Secretary-General's proposal and the Advisory Committee's recommendation thereon.

4. **Mr. Repasch** (United States of America) said that his Government attached great importance to the Summit. He was disappointed that the original budget proposal for 2002-2003 had made no provision for the public information campaign, since the Summit had been in the planning stage for a long time. He was concerned to note that the Department of Public Information appeared to have been unaware of the event.

5. The requirements outlined in the annex to the Secretary-General's statement (A/C.5/56/28) included a provision for four-colour posters in the six official languages. He asked what the cost would be if the posters were printed in black and white, and how effective black-and-white posters would be from a public information standpoint. He also wished to know how the special United Nations radio programmes referred to in the annex were related to the international radio broadcasting project (A/56/21/Add.1, draft resolution B) and whether there were opportunities for synergy between those activities. The indication that $30,000 would be used to "send money for United Nations information centres worldwide" was unclear. Lastly, he asked for details on the regional projects to be carried out to publicize the Summit.

6. **Mr. Adam** (Israel) recalled that the Commission on Sustainable Development, which had been established after the 1992 United Nations Conference on Environment and Development, had met every year for 10 years and had spent at least two years preparing for the 2002 follow-up Summit. He therefore found it strange that the Department of Public Information had chosen to ignore the Summit in its work plan for the following biennium, and wondered whether that omission illustrated the Department's view of the Summit's importance. Since the Department and the Programme Planning and Budget Division had failed to plan in advance for the public information campaign, the request for additional resources was unjustified. Instead of approving the resources requested, the

General Assembly should ask the Office of Internal Oversight Services (OIOS) to investigate why those resources had not been included in the original budget proposal. The Summit was very important to all countries and regions, and public information on the event and the issues it was to address was just as important as the Summit itself, but the Department of Public Information should use existing resources to carry out those activities.

7. **Mr. Yamanaka** (Japan) pointed out that, although draft resolution A/C.2/56/L.71 contained a request to the Secretary-General to launch the public information campaign, the Department of Public Information had already issued a brochure on the Summit. He asked what the legal basis had been for the brochure's issuance and whether the Department could issue such materials before the General Assembly had requested the launching of the public information campaign. Since the Department had issued the brochure in the current year, he asked why no provision for the public information campaign had been made in the budget proposal for the coming biennium.

8. **Mr. Albrecht** (South Africa) said that he supported the statement made on behalf of the Group of 77 and China. The issues raised by the United States, Israeli and Japanese delegations were important and should be addressed in informal consultations. Since it did not appear that the public information campaign could be funded from within existing resources, he hoped that resources from the contingency fund would be made available for that purpose. With respect to the idea that posters should be printed in black and white instead of in colour, Governments should consider what they would do, in producing public information materials for their own purposes, before making such suggestions.

9. **Ms. Wahab** (Indonesia) said that her delegation associated itself with the statement made on behalf of the Group of 77 and China. The public information campaign was very important to the success of the Summit and should be adequately funded. It was her understanding that the Department of Public Information had been unable to request resources for that purpose in the original budget submission because it had received no specific mandate from the General Assembly. Her delegation therefore supported the Secretary-General's resource request and the Advisory Committee's recommendation thereon.

10. **Mr. Fox** (Australia) said that Australia attached great importance to the Summit and was therefore concerned that no provision had been made in the proposed programme budget for a public information campaign to promote awareness of the event. He noted the comment by the Director of the Programme Planning and Budget Division that it would not be possible at the current stage of the budget cycle to reprioritize the activities of the Department of Public Information. The Fifth Committee should therefore assist the Department in reprioritizing its activities in the context of its consideration of section 26 (Public information) of the proposed programme budget for the biennium 2002-2003. His delegation would be happy to participate in that exercise. He noted, lastly, that no extrabudgetary resources had been pledged for the public information campaign and wondered whether any action had been taken to invite such resources.

11. **Mr. Sach** (Director, Programme Planning and Budget Division), replying to questions raised, said that, consistent with past practice, the resources that had been proposed for public information activities did not include any provision for activities associated with the special meetings and conferences scheduled for the biennium because there had been no specific mandate for a public relations component in those resources. He could not say more on the topic without being repetitive. The elements of the promotional campaign listed in the annex to the statement submitted by the Secretary-General were appropriate for modern public information campaigns. The radio products included in the requirements for the promotional campaign were special programmes that contained material additional to that normally produced for the area. The requirement to "send money" listed under item 4 of the annex was in fact a typographical error. It should read instead "seed money". The costs related to the other elements listed in the annex were standard.

12. **The Chairman** proposed that the Committee consider in informal consultations the decision to be taken on the statement submitted by the Secretary-General on the programme budget implications of draft resolution A/C.2/56/L.71.

13. *It was so decided.*

Programme budget implications of draft resolution A/C.2/56/L.78: Third United Nations Conference on the Least Developed Countries (A/56/716; A/C.5/56/29)

14. **Mr. Sach** (Director, Programme Planning and Budget Division) introduced the Secretary-General's statement (A/C.5/56/29) on the programme budget implications of draft resolution A/C.2/56/L.78, entitled "Third United Nations Conference on the Least Developed Countries". By that draft resolution, the General Assembly would decide to establish the Office of the High Representative for the Least Developed Countries, Landlocked Developing Countries and Small Island Developing States, and would decide that the provisions of the resolution should be implemented within the approved level of the budget for the biennium 2002-2003. The post of High Representative would be established at the Under-Secretary-General level under a new budget section 9A. A total of 13 posts were being requested for the new Office, of which 10 would be redeployed from section 11A (Trade and development) and three from section 10 (Africa: New Agenda for Development). Table 2 of the Secretary-General's statement indicated the requirements of the Office by object of expenditure and the amounts of the proposed transfers from sections 10 and 11A, which would bring the net total requirements for the new Office to $1,220,700. That amount would be charged against the contingency fund.

15. **Mr. Mselle** (Chairman of the Advisory Committee on Administrative and Budgetary Questions) introduced the Advisory Committee's report (A/56/716) on the Secretary-General's statement (A/C.5/56/29). In paragraph 9 of its report, the Advisory Committee recommended the establishment of the Office of the High Representative, but also recommended that the Fifth Committee should defer a decision on the permanent establishment of up to 12 other posts proposed for the Office until the Secretary-General had submitted a report on the matter based on the elements outlined in paragraphs 9 and 10 of the Advisory Committee's report. Subject to those recommendations, the Advisory Committee recommended that the Fifth Committee should inform the General Assembly that, should it adopt draft resolution A/C.2/56/L.78, net additional appropriations up to $1,220,700, as specified in paragraph 27 of the statement submitted by the Secretary-General, would be required at the current stage, subject to the provisions of General Assembly resolutions 41/213 and 42/211 on the use and operation of the contingency fund.

16. **Mr. Repasch** (United States of America) said that the United States supported the work being done by the United Nations to assist the least developed countries, landlocked developing countries and small island developing States. It was important, however, to examine ways in which that work could be carried out more effectively and, in that regard, clarification of the Advisory Committee's recommendations would be helpful. He noted, for example, the high cost of rental of premises and alterations for the proposed Office of the High Representative and would welcome a further breakdown of the proposed expenditures. His delegation was of the view that the Secretary-General's entire proposal should be implemented through redeployment and reprioritization.

17. **Mr. Mirmohammad** (Islamic Republic of Iran), speaking on behalf of the Group of 77 and China, said that the Group of 77 and China strongly supported the establishment of the Office of the High Representative and the proposals made by the Secretary-General for making the Office operational. He noted the Secretary-General's proposal to redeploy resources from sections 10 (Africa: New Agenda for Development) and 11A (Trade and development) of the proposed programme budget for the biennium 2002-2003 and cautioned that consideration should be given to the impact which redeployment would have on the work programmes under the budget sections in question. The United Nations Conference on Trade and Development (UNCTAD) was carrying out the technical work for the developing countries in question and he hoped that the Conference had been consulted before the proposal was made and that an opportunity would be provided to hear the views of UNCTAD representatives on the matter.

18. **Mr. Hamidullah** (Bangladesh), speaking on behalf of the Group of Least Developed Countries, said that the establishment of the Office of the High Representative was consistent with the wishes of the General Assembly for more visible follow-up for the three groups of developing countries. With regard to resource requirements, since some 96 States Members of the Organization would benefit from the establishment of the proposed Office, it might have been expected that the Office would be fully funded from regular budget resources. It was in no one's

interest to have an Office with an anaemic structure. He noted, moreover, that responsibility for coordination was being transferred to the Office from UNCTAD, which would retain responsibility for substantive issues and for capacity-building in the developing countries concerned.

19. **Mr. Bhattarai** (Nepal) noted the limited progress that had been achieved by the least developed countries during the previous two United Nations Development Decades. In his view, the success of the Programme of Action for the Least Developed Countries for the Decade 2001-2010 would depend on the effectiveness of the mechanism that had been established to follow up and review the decisions of the Third United Nations Conference on the Least Developed Countries. He hoped that the urgency of developing countries' needs would be reflected in the budget proposals so that yet another Decade would not be lost to that group of countries.

20. **Mr. Tilemans** (Belgium), speaking on behalf of the European Union, said that the Union fully agreed on the need for effective follow-up to the outcome of the Third United Nations Conference and would give careful but sympathetic consideration to the Secretary-General's proposals. He hoped that all parties concerned would cooperate in ensuring the establishment and successful operation of the Office of the High Representative to implement the decisions that had been taken at the Brussels Conference. The functioning of the Office of the High Representative and its capacity to act as early as possible would depend on the mobilization of resources through redeployment and he would welcome clarification of the impact of the Advisory Committee's recommendations on the effective functioning of the Office.

21. **Mr. Mselle** (Chairman of the Advisory Committee on Administrative and Budgetary Questions), replying to questions that had been raised, said that the course of action which the Advisory Committee had recommended in paragraphs 9 and 10 of its report (A/56/716) was the most appropriate one. The Advisory Committee had recommended the establishment of the Office of the High Representative and of a post at the Under-Secretary-General level to carry out the functions indicated in paragraph 5 of the statement submitted by the Secretary-General (A/C.5/56/29). It had further recommended that the Fifth Committee defer a decision on the permanent establishment of up to 12 other posts for the Office until submission of a report by the Secretary-General on the programmatic implications and impact on the activities of the affected sections of the programme budget, namely 10 and 11A. The latter recommendation, however, in no way impaired the capacity of the Secretary-General and the High Representative to make the proposed Office operational.

22. On the subject of the redeployment of posts, the Advisory Committee's recommendation that the Fifth Committee should take note of the proposal did not mean that the redeployment exercise should not continue. The statement submitted by the Secretary-General, however, was not clear as to the programmatic implications and impact on the activities of the affected sections of the programme budget and written clarification was therefore needed of what sections 10 and 11A would look like after the posts had been redeployed. The report of the Secretary-General should also contain a carefully articulated indication of resources required, including total availability of posts, either seconded from other agencies in the system or to be funded from available voluntary contributions. In addition, the report should address how the operational capacity of the organizations and bodies of the system, in particular UNCTAD, would be enhanced in their activities in support of developing countries, in particular the least developed countries, landlocked developing countries and small island developing States, and how system-wide coordination was to be achieved.

Programme budget implications of draft resolution A/56/L.42/Rev.1: United Nations Verification Mission in Guatemala (A/56/705; A/C.5/56/26)

23. **Mr. Sach** (Director, Programme Planning and Budget Division) introduced the Secretary-General's statement (A/C.5/56/26) on the programme budget implications of draft resolution A/56/L.42/Rev.1, entitled "United Nations Verification Mission in Guatemala". By adopting the draft resolution, the General Assembly would authorize the continuation of an ongoing mission at roughly the same level as in the biennium 2000-2001, adjusted by a reduction of six posts. The resulting requirements would amount to $14,755,100, which would be charged against the provision for special political missions under section 3 (Political affairs).

24. **Mr. Mselle** (Chairman of the Advisory Committee on Administrative and Budgetary Questions) introduced the Advisory Committee's report (A/56/705) on the Secretary-General's statement (A/C.5/56/26). The budget proposals for the Mission for the biennium 2000-2001 had been based on the plan for gradually scaling down the Mission's presence in Guatemala until operations concluded in 2003. However, as indicated in the preamble to draft resolution A/56/L.42/Rev.1, a new schedule had been approved for implementation of the substantive aspects of the peace agreements from 2000 to the end of 2004. The Secretary-General was requesting $14,755,100 for the Mission for 2002. The General Assembly had appropriated $43.2 million for the biennium 2000-2001 and the unaudited statements of the Mission's financial operations indicated that $39.9 million of that amount had been spent, leaving an unencumbered balance of some $3.4 million. The Advisory Committee recommended that the additional requirements of $14,755,100 should be charged against the provision for special political missions requested under section 3 (Political affairs).

25. **Mr. Repasch** (United States of America) noted that, for the period ending 31 December 2001, the activities of the United Nations Verification Mission in Guatemala (MINUGUA) had resulted in an unencumbered balance of $3,361,800. The question therefore arose of how much of the total amount that had been allocated for special political missions remained unencumbered at the current stage of the biennium.

26. **Mr. Sach** (Director, Programme Planning and Budget Division) said that, to the best of his recollection, a significant amount of $10 million to $12 million remained unencumbered. The expenditures for special political missions had been reported in the second performance report on the programme budget for the biennium 2000-2001. He would check the exact figures and communicate it to the Committee at a later stage. The budget for MINUGUA represented a small portion of that amount.

Programme budget implications of draft resolution A/56/L.45: The situation in Central America: procedures for the establishment of a firm and lasting peace and progress in fashioning a region of peace, freedom, democracy and development (A/56/709; A/C.5/56/27)

27. **Mr. Sach** (Director, Programme Planning and Budget Division) introduced the Secretary-General's statement (A/C.5/56/27) on the programme budget implications of draft resolution A/56/L.45, entitled "The situation in Central America: procedures for the establishment of a firm and lasting peace and progress in fashioning a region of peace, freedom, democracy and development". Under the draft resolution, the General Assembly would continue to strengthen the coordination of United Nations activities in that area by approving the continued financing of one Professional (P-4) post and one General Service post in the Department of Political Affairs. The requirements of $188,500 would be charged against the provision for special political missions requested under section 3 (Political affairs).

28. **Mr. Mselle** (Chairman of the Advisory Committee on Administrative and Budgetary Questions) introduced the Advisory Committee's report (A/56/709) on the Secretary-General's statement (A/C.5/56/27). By draft resolution A/56/L.45, the General Assembly would authorize the continuation of provisions which it had previously approved for the activities referred to in the draft resolution. The Advisory Committee recommended that an amount of $188,500 should be charged against the provision for special political missions under section 3 (Political affairs).

29. **Mr. Repasch** (United States of America), noting that a provision of $188,500 was requested for one Political Affairs Officer post (P-4) and one General Service post to continue to provide support to the efforts of the Secretary-General in post-conflict peace-building in El Salvador and Guatemala, asked where the staff concerned were based and what proportion of their time was devoted to the respective countries. Referring to paragraph 12 of the statement of programme budget implications (A/C.5/56/27), he asked how many meetings of the United Nations inter-agency task force for the reconstruction and transformation of Central America the Political Affairs Officer had attended during the biennium 2000-2001. The activities carried out by the two staff were very

similar to those of MINUGUA and it was therefore important to avoid the duplication of effort. While the amount requested was small, that did not relieve the Committee of its responsibility to ensure that resources were used as efficiently as possible.

30. **Mr. Sach** (Director, Programme Planning and Budget Division) said that the Professional and General Service posts had existed for a number of years to provide back-up and oversight at Headquarters to the activities of the Department of Political Affairs (DPA) in Central America. The staff concerned devoted 80 per cent of their time to providing support to MINUGUA and 20 per cent to supporting peace-building activities in El Salvador. There was no risk of overlap with MINUGUA, since, although the substantive areas were the same, the Mission's activities were field-based, whereas the two DPA staff provided back-up from Headquarters. He had no information on the number of meetings of the United Nations inter-agency task force that had been attended by the Political Affairs Officer during the biennium 2000-2001.

31. **The Chairman** said that the Committee would continue its consideration of the programme budget implications of draft resolution A/56/L.45 in informal consultations.

Estimates in respect of matters of which the Security Council is seized (continued)
(A/C.5/56/L.21)

Draft decision A/C.5/56/L.21

32. **The Chairman** recalled that, based on his proposal, the Committee, at its 37th meeting, had requested the secretariat to prepare a draft decision on the estimates in respect of matters of which the Security Council was seized.

33. **Mr. Kendall** (Argentina) drew attention to an error in the preambular paragraph of the Spanish version of the text.

34. **The Chairman** said that the Secretariat had taken note of the necessary correction.

35. *Draft decision A/C.5/56/L.21, as orally corrected, was adopted.*

Revised estimates: effect of changes in rates of exchange and inflation (continued)
(A/C.5/56/L.22)

Draft decision A/C.5/56/L.22

36. **The Chairman** recalled that, based on his proposal, the Committee, at its 37th meeting, had requested the secretariat to prepare a draft decision on the revised estimates of the effect of changes in rates of exchange and inflation.

37. **Mr. Nakkari** (Syrian Arab Republic) expressed regret that faulty sound equipment in the conference room had made it difficult for him to state his delegation's position on the draft decision. The Department of General Assembly Affairs and Conference Services should look into the problem and ensure that there was no recurrence. Regarding the draft decision, he noted with satisfaction that the text had been issued in the six official languages of the United Nations and expressed the hope that that practice would continue. While his delegation did not object to the substance of the draft decision, it was concerned about the use of the phrase "takes note of". He recalled that the Under-Secretary-General for Legal Affairs, the Legal Counsel, had indicated, in a letter dated 4 April 2001 to the Chairman of the Fifth Committee (A/C.5/55/42, annex II), that "taking note of" a report or course of action did not express either approval or disapproval. Thus, if the intention of the Committee was for the General Assembly to approve the revised estimates referred to in the draft decision, the phrase "takes note of", which was neutral, should be replaced by one that indicated approval.

38. **Mr. Halbwachs** (Controller) said that, at the current stage of the Committee's review of the proposed programme budget, it was the Secretariat's practice to produce revised estimates of the effect of changes in the rates of exchange and inflation. Those estimates were then taken into account in the draft resolution on the appropriation for the proposed programme budget and approved at that stage.

39. **Mr. Mselle** (Chairman of the Advisory Committee on Administrative and Budgetary Questions) said that the meaning of the phrase "takes note of" depended on the context in which it was used. The Fifth Committee had yet to take a final decision on the resource level of the proposed programme budget for the biennium 2002-2003. It could not therefore recommend the approval of the revised estimates of the

effect of changes in rates of exchange and inflation and the related amount of $35.3 million; the revised rates would be considered in the context of the Committee's review of the overall level of the appropriation for the biennium 2002-2003, which would take place shortly. He noted that the same approach had been taken with respect to the revised estimates resulting from resolutions and decisions adopted by the Economic and Social Council at its substantive session of 2001. Such an approach was entirely appropriate when the Committee was dealing with revised estimates and was consistent with its past practice.

40. *Draft decision A/C.5/56/L.22 was adopted.*

41. **Mr. Nakkari** (Syrian Arab Republic) said that his delegation had no objection to the course of action proposed. However, he wished to underscore that the meaning of the phrase "takes note of" was not dependent on the context.

Agenda item 122: Programme budget for the biennium 2000-2001 (*continued*)

Second performance report on the programme budget for the biennium 2000-2001 (A/56/674 and A/56/694)

42. **Mr. Halbwachs** (Controller), introducing the second performance report on the programme budget for the biennium 2000-2001 (A/56/674), said that the report provided an estimate of the anticipated final level of expenditures and income for the biennium. The estimate was based on actual expenditures for the first 20 months of the biennium, projected requirements for the previous four months, changes in inflation and exchange rates and cost-of-living adjustments as compared with the assumptions made in the first performance report (A/55/645 and Corr.1), which had formed the basis for the revised appropriation and estimate of income for the biennium 2000-2001 approved by the General Assembly. The estimates proposed represented an increase of $28.9 million, as set out in table 1. Table 2 showed the components of the additional requirement, while table 3 contained a summary of changes under expenditure sections. As in the past, the report contained nine schedules providing additional information on the assumptions on which the anticipated final level of expenditures and income was based.

43. As indicated in table 2, changes in exchange rates accounted for $10.4 million of the net additional requirement, changes in inflation for $9.1 million and commitments entered into under the provisions of resolution 54/252 on unforeseen and extraordinary expenses and in respect of the revised estimates and the programme budget implications of resolutions and decisions adopted by the Economic and Social Council for $14.5 million. Those increases were offset by reductions resulting from variations in post costs and adjustments to other objects of expenditure, based on actual anticipated requirements, and by a decrease in income.

44. Details of the changes in rates of exchange and inflation were provided in paragraphs 5 to 12 and in schedules 4 and 5, while table 4 showed exchange rate and inflation changes by duty station. The commitments entered into to meet unforeseen and extraordinary expenses were described in paragraphs 12 to 15. Paragraphs 16 to 38 and schedules 1, 2, 3 and 8 contained information on post incumbency and other changes that had led to a decrease of $6.2 million. A vacancy rate of 8.3 per cent for the Professional category and above and 2.6 per cent for General Service staff had been applied for 2000, as approved by the General Assembly. For the second year of the biennium, a vacancy rate of 6.5 per cent for Professionals and 2.5 per cent for General Service staff had been assumed. However, on the basis of experience thus far, it appeared that the level of vacancies realized in 2001 would amount to 6.9 per cent for the Professional category and above and 3.2 per cent for the General Service category. Thus, there was a downward trend overall with respect to vacancy rates.

45. **Mr. Mselle** (Chairman of the Advisory Committee on Administrative and Budgetary Questions), introducing the related report of the Advisory Committee (A/56/694), said that, as indicated in the second performance report, the projected expenditure for the biennium 2000-2001 was estimated at $2,560.9 million gross, which reflected an increase of $27.8 million. The Advisory Committee had found no technical reason to disagree with those estimates. He wished to draw attention, however, to paragraph 10 of its report, in which the Advisory Committee indicated that the amount of unliquidated obligations at the end of September 2001 had stood at $161.7 million. In his experience, not all of that amount would ultimately have to be assessed on Member States. In

accordance with the Financial Regulations and Rules of the United Nations, the closing of the accounts would take place on 31 March 2002. Only when the Secretary-General had submitted to the Advisory Committee a final statement of accounts would the Advisory Committee be able to determine whether the $161.7 million would represent an additional assessment on Member States.

46. **Mr. Mirmohammad** (Islamic Republic of Iran), speaking on behalf of the Group of 77 and China, noted that vacancy rates were excessively high in some budget sections and that, as a result of delays in recruitment and deployment and other management issues, the vacancy rate for Professionals in 2000 had exceeded the rate that had been approved by the General Assembly. The one-time provision to the United Nations International Research and Training Institute for the Advancement of Women (INSTRAW) for 2001, which had not been utilized, should be disbursed to the Institute in 2002.

47. **Mr. Nakkari** (Syrian Arab Republic) said that his delegation wished to align itself with the statement made by the representative of the Islamic Republic of Iran. It too was concerned about high vacancy rates and believed that the unutilized provision to INSTRAW for 2001 should be disbursed to the Institute in 2002.

48. **Mr. Yamanaka** (Japan) asked what was the amount of the provision. He noted that the anticipated final level of expenditure represented an increase of $27.8 million and wondered whether any portion of that amount would be charged to the contingency fund and, if so, how that would be done, since only $224,300 remained in the fund for 2000-2001. Changes in the rates of exchange and inflation accounted for $19.5 million of the increase under expenditure sections. Recalling that the General Assembly, in annex I to resolution 41/213, had called for a comprehensive solution to the problem of all additional expenditures, including those deriving from inflation and currency fluctuations, he requested an updated study on the matter.

49. **Mr. Orr** (Canada) drew attention to the figures for post incumbency and other changes under section 27 (Management and central support services), which showed an over-expenditure of nearly $4 million. Given the high vacancy rates for the Professional category under that section, which were shown in schedule 8 to be 10.6 per cent in 2000 and 9.6 per cent in 2001, he failed to understand the reason for such over-expenditure. With regard to section 2 (General Assembly affairs and conference services), even though the vacancy rate for the Professional category was lower than the rate budgeted for, it remained difficult to comprehend a level of over-expenditure that exceeded $24 million. He would also appreciate an explanation for the increased projected expenditure arising from other staff costs under the same section. While he welcomed the reduced requirements of $12.9 million under general operating expenses, attributed in paragraph 29 to costs related to premises, he asked whether such over-budgeting was common and whether the same variation had occurred in previous years.

50. **Mr. Repasch** (United States of America) said that the increase of $28.9 million in budgetary requirements reflected overspending in various areas, which suggested that the Secretariat was experiencing some difficulties in managing its allocations. He asked for details of the procedure followed by programme managers when reporting over-expenditure to senior management. He drew attention to the total of unliquidated obligations, which stood at almost $162 million, and requested the corresponding figures for the previous biennia to determine whether such an amount was normal for the current stage in the cycle.

51. **Ms. Silot Bravo** (Cuba) said that her delegation was concerned at the report's lack of clarity. For example, it provided no details about the ways in which savings had been achieved or could be achieved in future. She agreed with the Advisory Committee's findings that performance reports should relate financial data to programme performance. Subsequent reports should therefore include more information of a qualitative nature on programme performance and indicate ways in which difficulties could be resolved.

52. **Mr. Sach** (Director, Programme Planning and Budget Division) said that it was not exceptional for unliquidated obligations to stand at $165 million at the end of September, and that the total had already fallen to $95 million since that date. It could yet drop even further before the closing of accounts at the end of March 2002. It was not uncommon to have unliquidated obligations of between $100 and $120 million at the closing of accounts.

53. On the question of whether or not some of the additional requirements reflected in the performance report would fall under the contingency fund, areas

such as increased rates of exchange and inflation and costs derived from special political missions were not covered by the contingency fund. As for the proposals to disburse funds to INSTRAW, there had been insufficient extrabudgetary resources to meet the conditions set by the General Assembly, and action had therefore not been taken. The Committee would need to request a change in the conditions attached to the appropriation of $800,000, should it decide to release that amount.

54. The high vacancy rates under section 27 (Management and central support services) applied only to Professional posts. As indicated in schedule 8, vacancy rates were below the budgeted rate in the case of General Service staff. Since there were more General Service than Professional posts, the salary account was affected more seriously by the tight budget for General Service posts, which had led to over-expenditure. Other factors that contributed to the increased requirement under section 27 included higher than indicated common staff costs and above-average amounts of within-grade step increments. Although actual requirements generally varied from predictions, variances did not constitute a problem, provided that the overall balance remained around a mean, which was the case of the current balance. He acknowledged the overspending in the Division of General Assembly Affairs and Conference Services. The additional spending, however, had been proportional to the 9.6 per cent increase in the number of meetings relative to the base used for estimates. Furthermore, the proportion of meetings for which interpretation had been required had been 14 per cent higher than expected. In view of the need for staff movements and short-term contracts to meet conference requirements, salaries and other staff costs were above average in the Division of General Assembly Affairs and Conference Services. The overspending had been foreseen and reported during the 2001 budget review and the expectation had been that it would have been offset by the high vacancy rates in other budget sections. General operating expenditure on maintenance, utilities and so on was a large component of the Division's appropriation and there had been little variance overall, since net spending had been $133 million out of the original provision of $135 million. He expressed his readiness to respond to further questions during informal consultations.

55. **The Chairman** proposed that the Committee consider in informal consultations the decision to be taken on the question.

56. *It was so decided.*

Agenda item 131: Financing of the International Tribunal for the Prosecution of Persons Responsible for Serious Violations of International Humanitarian Law Committed in the Territory of the Former Yugoslavia since 1991 (*continued*)

Agenda item 132: Financing of the International Criminal Tribunal for the Prosecution of Persons Responsible for Genocide and Other Serious Violations of International Humanitarian Law Committed in the Territory of Rwanda and Rwandan Citizens Responsible for Genocide and Other Such Violations Committed in the Territory of Neighbouring States between 1 January and 31 December 1994 (*continued*)

Revised estimates resulting from the strengthening of the role of internal oversight services at the International Tribunals for the biennium 2002-2003 (A/C.5/56/30)

57. **Mr. Sach** (Director, Programme Planning and Budget Division), introducing the revised estimates contained in document A/C.5/56/30, said that the estimates had been revised in response to the view that had been expressed by a number of delegations that enhanced internal oversight was required for the two Tribunals. Six temporary posts were proposed to provide audit and investigations services to the Tribunals, four at the P-4 and two at the P-3 level. Should the General Assembly adopt the revised estimates, additional appropriations of $167,550 and $219,850 would be required under the budget for the biennium 2002-2003 for the International Tribunal for the Former Yugoslavia and the International Criminal Tribunal for Rwanda, respectively. The issue would be reviewed during the first part of the resumed fifty-sixth session of the Assembly.

58. *Mr. Orr (Canada), Vice-Chairman, took the chair.*

59. **Mr. Mselle** (Chairman of the Advisory Committee on Administrative and Budgetary Questions), orally presenting the report of the Advisory Committee on the revised estimates resulting from the strengthening of the role of internal oversight

services at the International Tribunals for the biennium 2002-2003,* said that the Advisory Committee recommended approval of the additional appropriations proposed by the Secretary-General. However, the issue of providing resources on a continuing basis beyond the first six months of 2002 should be submitted in the context of the first financial and programme performance report for the Tribunals for the biennium 2002-2003.

60. **Mr. Nakkari** (Syrian Arab Republic) said that, although the report of the Advisory Committee was yet to be issued, it had been printed and distributed to delegations. He welcomed the improvement on the previous procedure and hoped it would continue. Nevertheless, he failed to understand why the estimates had not been submitted along with the proposed budget for the International Tribunals.

61. **Mr. Sach** (Director, Programme Planning and Budget Division) said that OIOS had submitted the requirements at a very late stage, which had prevented their inclusion in the programme budget proposals.

62. **The Chairman** proposed that the Committee consider and make appropriate recommendations on the action to be taken on the question in the context of the informal consultations on both items.

63. *It was decided.*

The meeting rose at 12.30 p.m.

* Subsequently circulated as document A/56/717.